GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:3854
ANSWERED ON:08.04.2003
COAL RELATED PROJECTS RUNNING BEHIND SCHEDULE
C. SREENIVAASAN;PUTTASWAMY GOWDA

Will the Minister of COAL be pleased to state:

(a) the details of coal related projects running behind schedule, project-wise and state-wise;

(b) the amount estimated at the beginning of the projects and the escalation in the cost of these projects;

(c) whether it is a fact that many coal projects including the Neyveli Lignite Corporation Project have been badly delayed;

(d) if so, the reasons for delay in the execution of these projects; and

(e) the steps taken by the Union Government to speed up the completion of these projects?

Answer

THE MINISTER OF COAL (SHRI KARIYA MUNDA)

(a) :- Details of coal related projects which are running behind schedule are given below :-

Sl NO	Name of the project (State)	Capacity	Date of sanction As per schedule	Date of completion Now anticipated	Slippage (in years)	Reasons for delay
	Eastern Coalfields Limited					
1	Jhanjra Ph-I-UG (WB)	2.00	08/95	03/98	03/03	5 The projects has suffered due to heating problem in one of its panels coupled with fund problem for replacement of out lived PSLW and other development equipment
2	J.K. Nagar-UG (WB)	0.87	02/91	03/93	03/04	11 Due to presence of geological disturbances the mining technology has been changed from LW Mining to B&P system. Failure of PSU contractor to complete sinking of shaft and commissioning of skip delayed the project. The project also suffered due to fund constraint.
3	Kalidasp ur-UG (WB)	0.54	11/95	03/98	03/03	5 The project has suffered badly to geological disturbances, gas emission and for implementing stowing system instead of caving system. Administrative difficulty as the project is situated on the other side of Damodar river and severe fund crunch are also responsible for the delay.
4	Sarpi-UG (WB)	0.90	09/87	03/95	03/03	8 The project has been delayed due to severe fund crunch.

Central Coalfields Limited

5	Bokaro Bermo Seam-OC (Jharkhand)	0.80	05/95	03/00	03/04	4	Additional envisaged could not be provided due to fund crunch. HEMM
6	Saunda D, OC (Jharkhand)	0.35	04/01	03/02	03/03	1	Additional envisaged could not be provided due to fund crunch. HEMM

Neyveli Lignite Corporation Limited

7	TPS - I (Tamil Nadu)	2x210 MW 2X210 MW	02/96 01/02 12/01 05/02	Unit-I Synchronized in 10/02 Unit-II in 07/03	Unit-I 01/03 Unit-II 03/03	16 months	Delay in signing of the loan agreement by M/s. KFW, the funding agency for the project, delay in supply and erection of equipments, slow progress of site activities by the contractor, etc.

Singareni Collieries Company Limited

8	Santikhani Extn. Phase.-I (A.P)	0.190	06/92	1996-97	2002-03	6	Due to adverse geo-mining conditions and delay in procurement of Road Headers.
9	Yellandu OC Block-`E` (A.P.)	0.450	05/99	2001-02	2003-04	2	The project is kept on hold in view of firming up the quality vis-Ã -vis requirement of consumer & FSA.

(b): Latest sanctioned capital, anticipated capital and escalation, if any, in respect of these projects are given below :-

Sl No	Name of the Project	Latest sanctioned capital (Rs. crs.)	Anticipated capital (Rs.crs.)	Escalation	Remark

Eastern Coalfields Limited

1	Jhanjra Ph-I -UG	403.96	386.44	(-)17.52	Proposal for foreclosing the project at a capacity of 1.03 mty is under consideration for approval by the Government.
2	J.K. Nagar-UG	95.28	53.42	(-)41.86	RPR of derated capacity of 0.435 mty is under consideration for approval by the Government.
3	Kalidaspur-UG	74.05	36.49	(-)37.56	Proposal for foreclosing the project at a capacity of 0.135 mty is under consideration for approval by the Govt.
4	Sarpi-UG	53.05	26.62	(-)26.43	Foreclosure at a capacity of 0.34 mty has been approved by ESC of CIL Board.
	Central Coalfields Limited				
5	Bokaro Bermo Seam-OC	46.78	46.78	0.00	
6	Saunda D-OC	25.81	25.81	0.00	RPR approved in the 55th meeting of the ESC of CIL Board.
	Neyveli Lignite Corporation Limited				
7	TPS - I	1420.27	1420.27	0.00	-
	Singareni Collieries Company Limited				
8	Santikhani Extn.Phase.-I	18.32	18.32	0.00	-
9	Yellandu.OC Bllock-`E`	12.17	12.17	0.00	-

(c): Details of such projects of Coal India Limited (CIL)/Singareni Collieries Company Limited (SCCL) and Neyveli Lignite Corporation (NLC) are given in reply to part (a) above.

(d): Reasons for delay in execution of these projects are given in reply to (a) above.

(e): The Ministry of Coal has started stringent appraisal and sanction procedures and issued comprehensive guidelines for project formulation and monitoring. Projects are now taken up for implementation only after detailed examination of availability of land, state of preparedness and assured flow of funds.

The system of Monitoring / Proactive steps at various levels has been standardized.

a) At Project Level:

Monthly review at the level of Chief General Manager/General Manager.

Monthly review at the level of CMD and Director (Technical) of the Company.

Monthly Flash Reports and Quarterly Monitoring Reports aresent to CIL, Ministry of Statisticsand Programme Implementation and Ministry of Coal.

b) At Subsidiary / CIL Board Level:

ATRs and Status Reports regarding on-going projects are reviewed by the Subsidiary Boards as well as CIL Board and necessary remedial measures are taken.

c) At Ministry Level:

Projects costing Rs. 100 Crores and above are reviewed by Secretary (Coal) at regular interval.Representative from Planning Commission, Ministry of Statistics and Programme Implementation, Department of Expenditureand Ministry of Environment and Forests also attend such review meetings.